

# HARBOR BANKSHARES CORPORATION

	CPP Disbursement Date 07/17/2009	RSSD (Holding Company) 2008130	Number of Insured Depository Institutions 1		
Selected balance and off-balance sheet items	2011 \$ millions	2012 \$ millions	%chg from prev		
Assets	\$240	\$249	3.5%		
Loans	\$187	\$172	-8.2%		
Construction & development	\$12	\$6	-47.2%		
Closed-end 1-4 family residential	\$28	\$23	-15.3%		
Home equity	\$3	\$3	6.3%		
Credit card	\$1	\$1	13.8%		
Other consumer	\$0	\$0	-4.0%		
Commercial & Industrial	\$46	\$41	-10.5%		
Commercial real estate	\$87	\$81	-6.2%		
Unused commitments	\$10	\$10	-2.2%		
Securitization outstanding principal	\$0	\$0			
Mortgage-backed securities (GSE and private issue)	\$0	\$0			
Asset-backed securities	\$0	\$0			
Other securities	\$22	\$29	29.0%		
Cash & balances due	\$15	\$30	107.7%		
Residential mortgage originations					
Closed-end mortgage originated for sale (quarter)	\$0	\$0			
Open-end HELOC originated for sale (quarter)	\$0	\$0			
Closed-end mortgage originations sold (quarter)	\$0	\$0			
Open-end HELOC originations sold (quarter)	\$0	\$0			
Liabilities	\$214	\$222	3.8%		
Deposits	\$206	\$214	3.8%		
Total other borrowings	\$5	\$5	0.0%		
FHLB advances	\$5	\$5	0.0%		
Equity					
Equity capital at quarter end	\$27	\$27	1.4%		
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$1	\$0	NA		
Performance Ratios					
Tier 1 leverage ratio	8.3%	8.2%	--		
Tier 1 risk based capital ratio	10.9%	11.5%	--		
Total risk based capital ratio	12.2%	12.7%	--		
Return on equity <sup>1</sup>	0.4%	1.6%	--		
Return on assets <sup>1</sup>	0.0%	0.2%	--		
Net interest margin <sup>1</sup>	5.0%	4.4%	--		
Coverage ratio {(ALL+Alloc transfer risk)/Noncurrent loans})	47.8%	21.7%	--		
Loss provision to net charge-offs (qtr)	30.3%	36.0%	--		
Net charge-offs to average loans and leases <sup>1</sup>	1.8%	1.1%	--		
<sup>1</sup> Quarterly, annualized.					
	Noncurrent Loans		Gross Charge-Offs		
Asset Quality (% of Total Loan Type)	2011	2012	2011	2012	
Construction & development	23.2%	52.1%	0.0%	0.0%	--
Closed-end 1-4 family residential	6.6%	12.8%	0.1%	0.5%	--
Home equity	9.7%	15.7%	0.0%	0.0%	--
Credit card	4.7%	1.1%	0.0%	0.2%	--
Other consumer	0.0%	0.5%	0.0%	0.2%	--
Commercial & Industrial	4.3%	8.7%	0.3%	0.4%	--
Commercial real estate	4.3%	5.8%	0.8%	0.3%	--
Total loans	5.6%	8.7%	0.5%	0.3%	--